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PATENT APPLICATION

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

In re application of

Docket No: Q63928

Toshio YAGIHASHI, et al.

Appln. No.: 09/825,337

Group Art Unit: 3627

Confirmation No.: 1780

Examiner: Gerald J. O'CONNOR

Filed: April 04, 2001

For: COMMERCIAL SALES SYSTEM AND METHOD USING NETWORK

REPLY BRIEF PURSUANT TO 37 C.F.R. § 1.193(b)

MAIL STOP APPEAL BRIEF - PATENTS

Commissioner for Patents

P.O. Box 1450

Alexandria, VA 22313-1450

Sir:

In accordance with the provisions of 37 C.F.R. § 1.193(b), Appellants respectfully submit this Reply Brief in response to the Examiner's Answer dated April 7, 2004. Entry of this Reply Brief is respectfully requested.

POINTS RAISED IN EXAMINER'S ANSWER

The Examiner raises several new points of argument in the Examiner's Answer that Appellants address herein.

I. Grouping of Claims

In the Grouping of Claims section of the Examiner's Answer, the Examiner agrees that the appealed claims will be addressed in the three groups set forth in Appellants' Brief on

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Appeal.¹ Group I includes claims 1, 5, 9, and 14, which stand or fall together, separately from the claims of Groups II and III. Group II includes claims 2-3, 6-7, 10-11, and 15, which stand or fall together, separately from the claims of Groups I and III. Group III includes claims 4, 8, and 12-13, which stand or fall together, separately from the claims of Groups I and II.

However, in his Conclusion,² the Examiner alleges that Appellants' arguments with respect to Groups II and III should be "deemed irrelevant and, as such, disregarded," and therefore, that only arguments with respect to Group I should be considered and that all of claims 1-15 should then stand or fall together.

Appellants disagree. Appellants' Brief on Appeal clearly separates the claims into three groups (Groups I, II, and III) and, in the Arguments section, explains why the claims of the three groups are separately patentable.³ For example, the claims of Group II are separately patentable for at least the reasons set forth on pages 8-10 of the Brief on Appeal. Likewise, the claims of Group III are separately patentable for at least the reasons set forth on pages 10-11 of the Brief on Appeal.

¹ Examiner's Answer, p. 3.

² *Id.*, p.11.

³ See Appellants' Brief on Appeal, p. 6-11. See also Examiner's Answer, p.7-8 (detailing the Examiner's response to Appellants' Group I arguments), p. 9-10 (detailing the Examiner's response to Appellants' Group II arguments), and p. 11 (detailing the Examiner's response to Appellants' Group III arguments).

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Appellants therefore submit that the claims of each of Groups I, II, and III, respectively, should stand or fall separately. Accordingly, the Board should consider the claims for each of Groups I, II, and III independently from the claims of the other groups.

Appellants' responses to the specific new points raised in the Examiner's Answer are provided below.

II. Prior Art of Record

Tavor et al., U.S. Patent No. 6,070,149 ("Tavor"), and Bezos et al., U.S. Patent No. 6,029,141 ("Bezos"), are the prior art references of record which are relied upon by the Examiner in rejecting the claims that are subject to the present appeal.

III. The Examiner's Response to Appellants' Arguments

A. Group I

1. Regarding the allegation that Appellants' arguments are "irrelevant, hence spurious" because Appellants repeat arguments that were previously presented and addressed by the Examiner's Office Action⁴, Appellants respectfully submit that this allegation is without merit. As presented in Appellants' Brief on Appeal, Appellants' arguments with respect to Group I fully comply with the requirements of 37 C.F.R. § 1.192(c). Appellants' Brief on Appeal presents the contentions of Appellants with respect to each of the issues discussed in the Issues section, and provide proper citations of the authorities, statutes, and parts of the record relied

⁴ *Id.*, p. 6.

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upon.⁵ Further, contrary to the assertion of the Examiner, Appellants arguments do not merely restate facts admitted by the rejection, but rather clearly discuss the deficiencies of the Examiner's rejection of the claims.⁶

2. Regarding the allegation that Bezos discloses a first vendor and a second vendor, Appellants submit that the Examiner's logic is flawed. Even accepting, *arguendo*, the Examiner's assertion that the term "associate" is commonly defined as "a person united with another or others in an act, an enterprise, or a business,"⁷ the Examiner's further assertion that any associate of a vendor which sells something, by definition must also must be a vendor, is plainly a distortion of logic. Clearly, any number of non-vendor entities, such as advertisers or product reviewers, could be associates of a vendor.

As discussed in Appellants' Brief on Appeal, Bezos is directed to an internet-based customer referral system, in which links to a merchant's webpage are provided on an "associate's" webpage.⁸ As described in Bezos, an entity becomes an "associate" of the merchant by first registering on the merchant's website as an associate and then establishing a website including marketing information about merchant products and referral links to the merchant's

⁵ 37 C.F.R. § 1.192(c)(8) ("The contentions of appellant with respect to each of the issues presented for review in paragraph (c)(6) of this section, and the basis therefor, with citations of the authorities, statutes, and parts of the record relied on. Each issue should be treated under a separate heading.").

⁶ See Appellants' Brief on Appeal, p. 6-8.

⁷ Examiner's Answer, p.7, *quoting The American Heritage Dictionary of the English Language, Third Edition* (1992).

⁸ See Bezos, abstract.

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website and products.² One example of an “associate,” according to Bezos, is a product reviewer, such as the New York Times Review of Books, which provides reviews of consumer products, including products of the merchant.¹⁰ Therefore, it is clearly not necessary for an “associate” to also be a vendor. A website which provides reviews of books or of other consumer products does not need to sell any products or be a vendor in order to be an associate of the merchant described in Bezos.

3. Appellants submit that there is no motivation to modify the teaching of Tavor, which is directed to a virtual sales personnel method in which a user is guided through a series of web pages of a single vendor¹¹, to have the products of two vendors on a single web page in order to generate increased sales, in view of the cited references.¹²

Tavor is generally directed to guiding a customer quickly and efficiently to a specific target product of a single merchant.¹³ The invention of Tavor is also directed to guiding a customer to specific products of the single merchant.¹⁴ To modify the disclosure of Tavor in order to include the products of a second vendor or merchant would detract from the twin goals

² *Id.*

¹⁰ *See Id.* and col. 17, lns. 10-15.

¹¹ *See* Tavor, abstract.

¹² Examiner’s Answer, p. 7-8.

¹³ *Id.*

¹⁴ *Id.*, col. 5, lns. 5-17.

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of quickly and efficiently guiding a customer to a specific target product and of marketing specific products of the first merchant, and thus, Tavor teaches away from such a modification. Adding a display of products of a second vendor or merchant would distract the customer, possibly, as suggested in the present invention, causing the customer to buy the product of the second vendor or merchant, instead of that of the primary vendor or merchant. This is contrary to the objects of Tavor. Additionally, a modification of Tavor in this way would also require a closer partnership between the merchants than suggested by the present invention. The virtual sales associate of Tavor¹⁵ would then have to be familiar with the products and marketing campaigns of both vendors. In light of the further modification which would have to be taken into account, such a modification would not have been obvious to one of skill in the art at the time of the present invention.

Accordingly, the Board should reverse the rejection of the claims of Group I since the Examiner's arguments distort logic and fail to present a *prima facie* case of obviousness.

B. Group II

1. Regarding the dependency of the claims of Group II on the claims of Group I, Appellants agree with the Examiner's statements that it logically follows that if the independent claims of Group I are allowed, that the claims of Group II would also be patentable. However, Appellants respectfully disagree with the allegation that this argument is irrelevant. The

¹⁵ *Id.*

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dependency of the claims of Group II on the independent claims of Group I is clearly relevant to their patentability. Furthermore, dependent claims can be patentable based on their own separately patentable features, as noted in Appellants' Brief on Appeal, in addition to their dependency.

2. Regarding the allegation that Appellants' arguments with respect to Group II are "irrelevant, hence spurious" because they are non-responsive to the grounds of rejection and fail to point out any supposed or alleged error in the rejection¹⁶, Appellants submit that the Examiner is in error. As discussed above with respect to Group I, Appellants' arguments with respect to Group II fully comply with the requirements of 37 C.F.R. § 1.192(c). Further, the Examiner addresses these arguments in the Examiner's Answer.¹⁷

3. Appellants submit that it would not have been obvious to modify the system of Tavor in order to include sending a purchaser a request for permitting disclosure of purchase history data and upon receiving permission, providing purchase history data to a relevant item seller, as claimed.¹⁸

The Examiner's acknowledges that Tavor fails to disclose a relevant item seller, as claimed.¹⁹ As discussed above, Bezos also fails to disclose a relevant item seller (a second

¹⁶ Examiner's Answer, p. 9

¹⁷ *Id.*, p. 9-10.

¹⁸ *Id.*, p. 9.

¹⁹ *Id.*

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vendor). The Examiner further acknowledges that Tavor fails to disclose or suggest sending a request for permitting disclosure of purchase history data, providing purchase history data to a third party, or discounting sales commission with reference to purchase history data.²⁰ Regarding the Examiner's allegation that these claimed limitations are well known, and therefore, that modifying Tavor to include these steps would have been obvious, Appellants disagree.

First, the Examiner has failed to establish a *prima facie* case that the limitations of sending a request for permitting disclosure, providing purchase history data to a third party, and discounting sales commission with reference to purchase history data are well-known in the art. Merely stating that certain facts are common knowledge, without citing a prior art reference where the facts are not capable of instant and unquestionable demonstration as being well-known, is insufficient basis for a *prima facie* case of obviousness.²¹ Therefore, the Examiner's assertion that these limitations are admitted prior art is clearly incorrect. The burden on Appellants is to show why the claims of the present invention are not obvious over the combination of Tavor and Bezos, and Appellants have met that burden. Conversely, the Examiner fails to satisfy his burden of establishing a *prima facie* case by failing to provide evidentiary support on the record.²²

²⁰ *Id.*

²¹ See MPEP 2144.03(A).

²² MPEP §2144.03(A), citing *In re Zurko*, 258 F.3d 1379 at 1385, 59 USPQ2d 1693 at 1697 ("[T]he Board cannot simply reach conclusions based on its own understanding or experience—or on its assessment of what would be basic knowledge or common sense. Rather, the Board must point to ... (footnote continued)

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Second, even assuming, *arguendo*, that the limitations of sending a request for permitting disclosure, providing purchase history data to a third party, or discounting sales commission with reference to purchase history data are common knowledge, the combination of Tavor and Bezos still fails to teach or suggest more than one vendor, and therefore fails to teach or suggest a relevant item seller, as claimed. Without any teaching of a relevant-item seller or any second vendor, there is no motivation to modify the teachings of Tavor and Bezos in order to include the additional limitations of sending a request for permitting disclosure, providing purchase history data to a third party, or discounting sales commission with reference to purchase history data.

Accordingly, the Board should reverse the rejection of the claims of Group II since the Examiner fails to present a *prima facie* case of obviousness, and given that the Examiner's proposed combination of references fails to teach or suggest all of the features of the claims of Group II.

C. Group III

1. Regarding the dependency of the claims of Group III on the claims of Group I, Appellants agree with the Examiner's statements that it logically follows that if the independent claims of Group I are allowed, that the claims of Group III would also be patentable. However, as discussed above with respect to Group II, Appellants respectfully disagree with the

some concrete evidence in the record in support of these findings.") (Fed. Cir. 2001). *See also* MPEP §2144.03(A) ("It would not be appropriate for the examiner to take official notice of facts without citing a prior art reference where the facts asserted to be well known are not capable of instant and unquestionable demonstration as being well-known.").

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Examiner's allegation that this argument is irrelevant. As with the claims of Group II, as discussed above, the dependency of the claims of Group III on the independent claims of Group I is clearly relevant to their patentability.

2. Regarding the argument that the disclosure in Tavor of presenting a coupon in order to obtain a discount is equivalent to the claimed limitations of sending the relevant item seller a request for discounting an item, and purchasing the item after receiving acceptance of the discount, Appellants respectfully submit that the disclosure of Tavor fails to render obvious the claimed limitations.

As is commonly understood, a coupon is "a form surrendered in order to obtain an article, service, or accommodation."²³ A coupon is a form or advertisement, whether on paper or in electronic form, issued by a merchant, which entitles the bearer to a benefit, such as a percentage discount on a specific item to be purchased from the merchant. Therefore, in presenting a coupon, as is disclosed in Tavor,²⁴ a customer is not requesting a discount, but rather merely redeeming a discount which has already been given in the form of a coupon. For this reason, there is no step of requesting a discount, because the merchant has already granted the discount

²³ See Merriam Webster Online Dictionary, <http://www.webster.com/cgi-bin/dictionary?book=Dictionary&va=coupon&x=20&y=18> (last visited, May 10, 2004). See also *The American Heritage Dictionary of the English Language, Fourth Edition* (2000) ("A detachable part, as of a ticket or advertisement, that entitles the bearer to certain benefits, such as a cash refund or gift.").

²⁴ Tavor, col. 14, lns. 1-9.

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by issuing the coupon, and a purchaser does not receive an acceptance of the discount, as claimed, because the coupon guarantees the discount.

Accordingly, the Board should reverse the rejection of the claims of Group III since the Examiner has failed to show that these claims are obvious over the cited prior art.

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CONCLUSION

For the above reasons as well as the reasons set forth in Appellants' Brief on Appeal, Appellants respectfully request that the Board reverse the Examiner's rejections of all claims on Appeal. An early and favorable decision on the merits of this Appeal is respectfully requested.

Respectfully submitted,



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